Exhibit 46 [replacing Dkt. #1934-45] attached to Plaintiffs' Motion for Partial Summary Adjudication of Their Equitable Claims for Abatement of an Absolute Public Nuisance at Dkt. #1890.

• Redactions partially withdrawn by Defendant

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Controlled Substance Monitoring Discount Drug Mart

September 29th, 2017

Nate Hartle

Sr. Director - Regulatory Affairs



MCKESSON

Agenda



Scope of Problem

Regulatory Responsibilities

McKesson's CSMP

Discount Drug Mart Program Overview

Q & A | Open Discussion

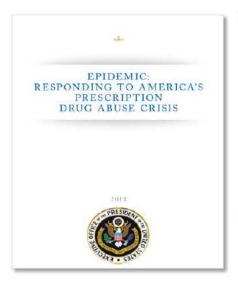
Scope of the Problem | Epidemic

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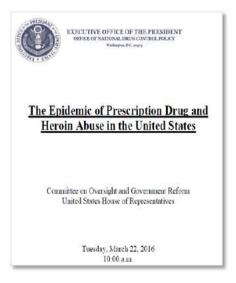


DEADLIEST DRUG EPIDEMIC ON RECORD IN OUR NATION'S HISTORY

"The drug problems of past decades pale when compared to the current opioid epidemic which has killed 165,000 Americans from 2000 to 2014."



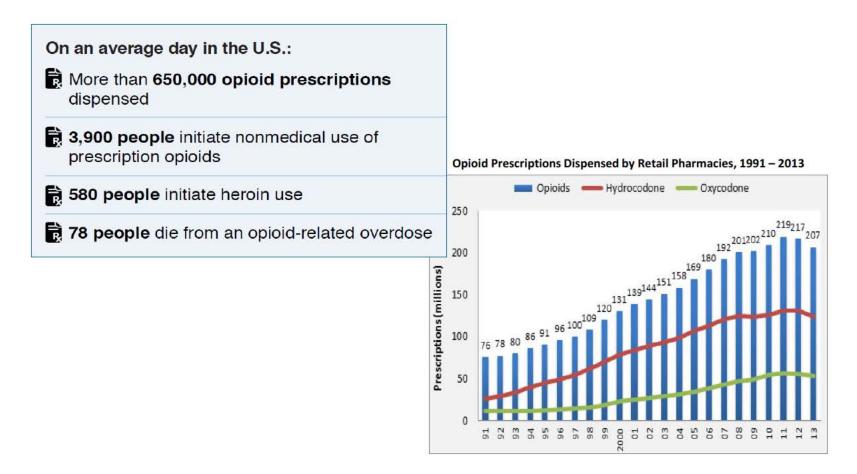




Source: National Safety Council. Prescription Nation 2016: Addressing America's Drug Epidemic. Retrieved November 7, 2016, from National Safety Council: http://www.nsc.org/RxDrugOverdoseDocuments/Prescription-Nation-2016-American-Drug-Epidemic.pdf

Scope of the Problem | Opioid Prescribing & Abuse

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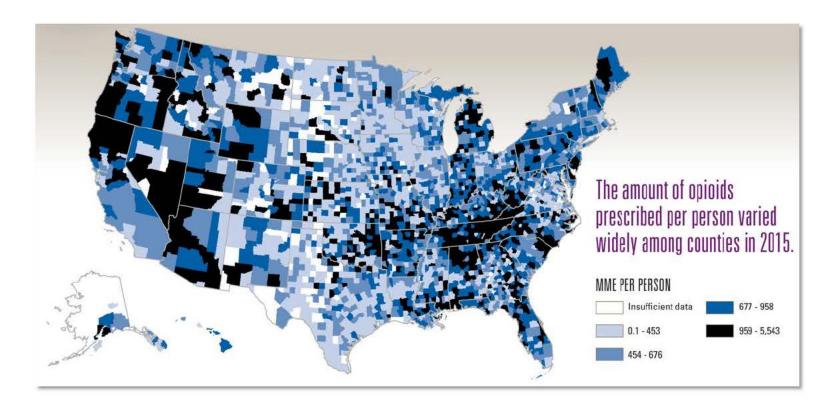


Source 1: Department of Health & Human Services. The Opioid Epidemic: By the Numbers. Retrieved November 7, 2016, from Department of Health & Human Services: http://www.hhs.gov/sites/default/files/Factsheet-opioids-061516.pdf

Source 2: NIH: National Institute on Drug Abuse. Prescription Opioid & Heroin Abuse. Retrieved November 14, 2016, from NIH: National Institute on Drug Abuse: https://www.drugabuse.gov/about-nida/legislative-activities/testimony-to-congress/2015/prescription-opioid-heroin-abuse

Scope of the Problem | Opioid Prescribing & Abuse

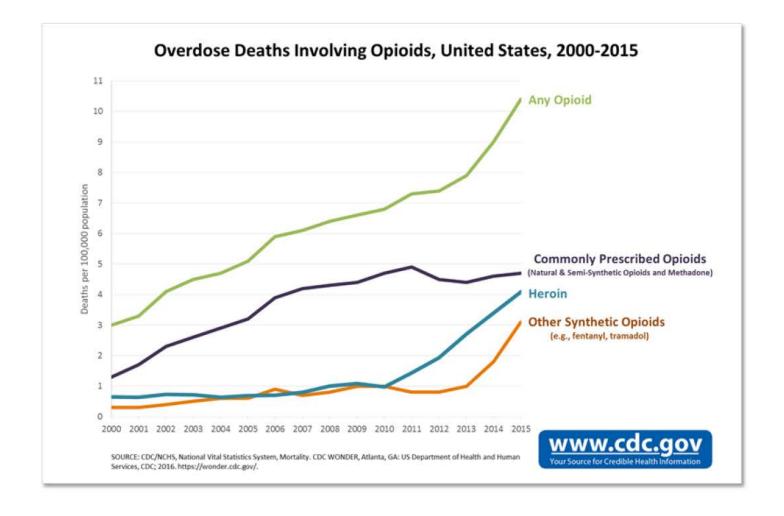
MCKESSON



Source: Centers for Disease Control and Prevention, Vital Signs July 2017. Opioid Prescribing – Where you live matters. Retrieved August 22, 2017 from Centers for Disease Control and Prevention: https://www.cdc.gov/vitalsigns/pdf/2017-07-vitalsigns.pdf

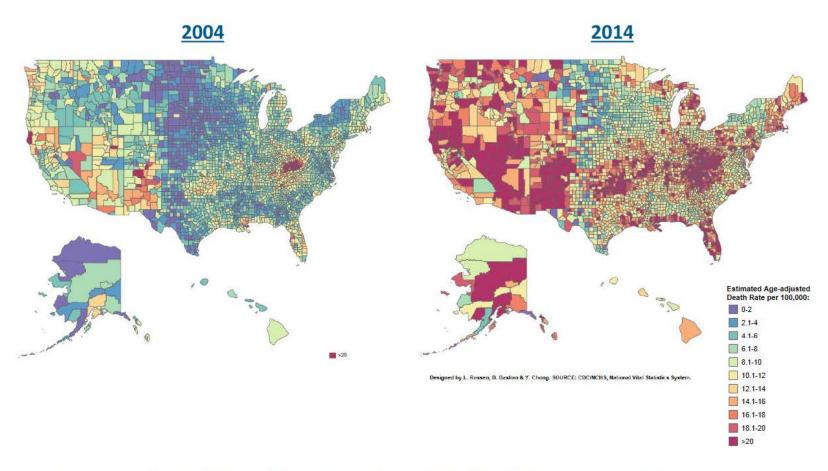
Scope of the Problem | Overdose Death Statistics

MCKESSON



Scope of the Problem | Overdose Death Statistics

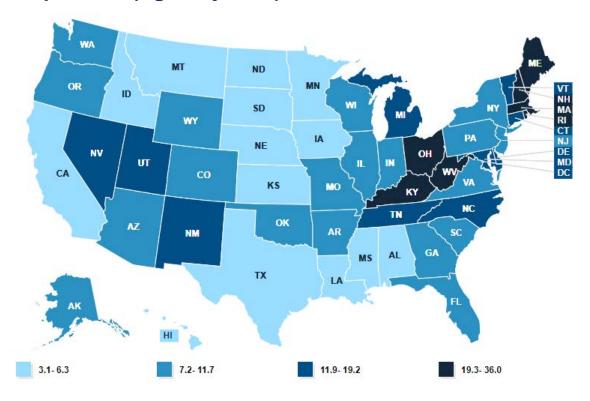
MCKESSON



Source: Centers for Disease Control and Prevention, NCHS Data Visualization Gallery. *Drug Poisoning Mortality: United States, 1999–2014*. Retrieved November 14, 2016, from Centers for Disease Control and Prevention: https://blogs.cdc.gov/nchs-data-visualization/drug-poisoning-mortality/

Scope of the Problem | Overdose Death Statistics (2015) M≤KESSON

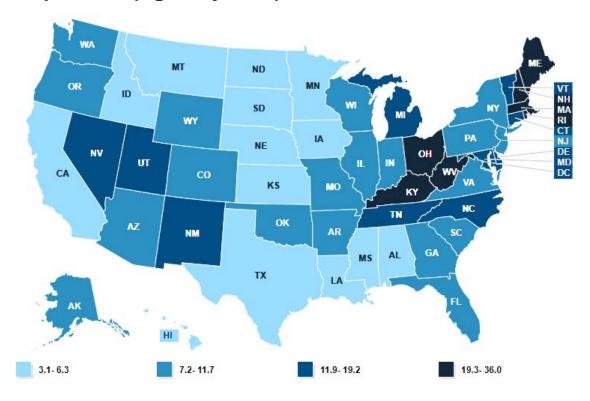
Opioid Overdose Death Rates and All Drug Overdose Death Rates per 100,000 Population (Age-Adjusted)



Source: Kaiser Family Foundation analysis of Centers for Disease Control and Prevention (CDC), National Center for Health Statistics. Multiple Cause of Death 1999-2015 on CDC WONDER Online Database, released 2016. Data are from the Multiple Cause of Death Files, 1999-2015, as compiled from data provided by the 57 vital statistics jurisdictions through the Vital Statistics Cooperative Program. Accessed at http://www.kff.org/other/state-indicator/opioid-overdose-death-rates on August 23, 2017.

Scope of the Problem | Overdose Death Statistics (2015) M≤KESSON

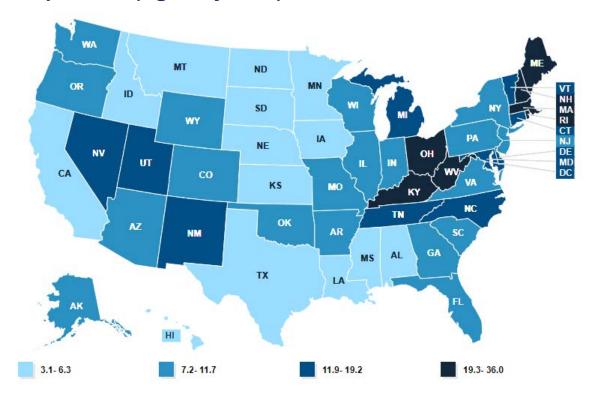
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Scope of the Problem | Overdose Death Statistics (2015) M≤KESSON

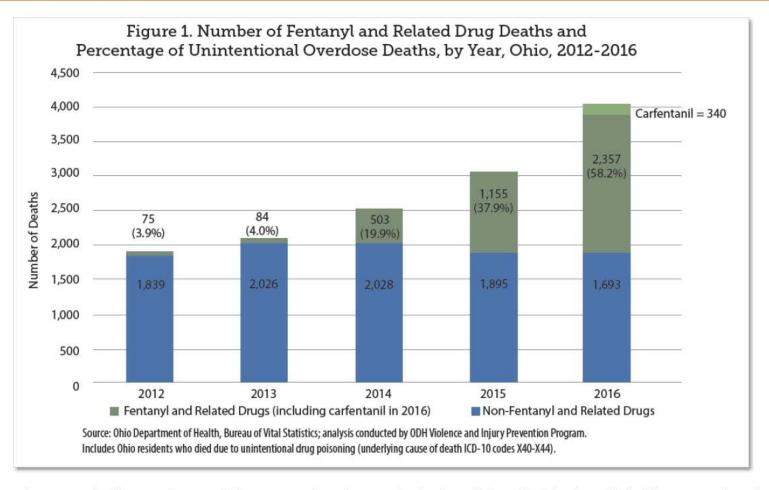
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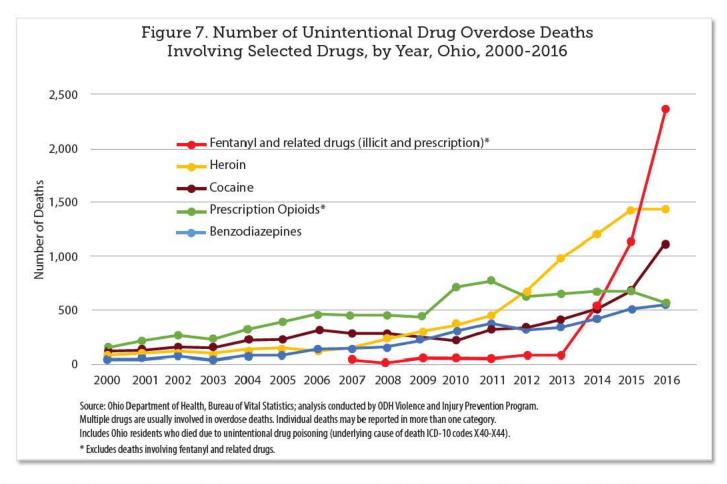
Ohio 2016 Data

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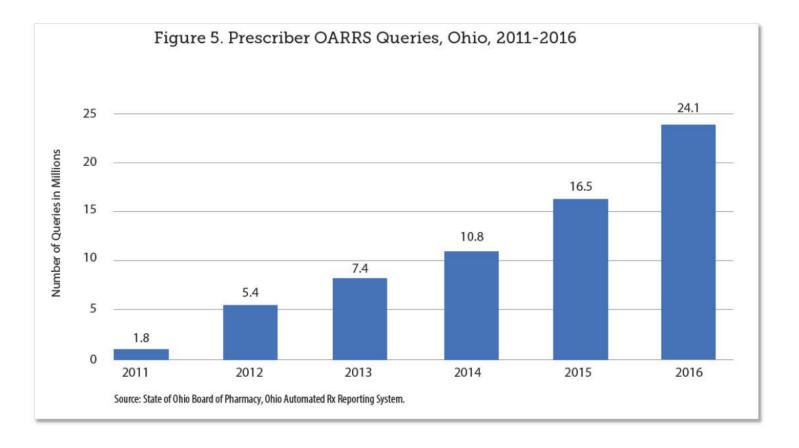


Ohio | 2016 Data

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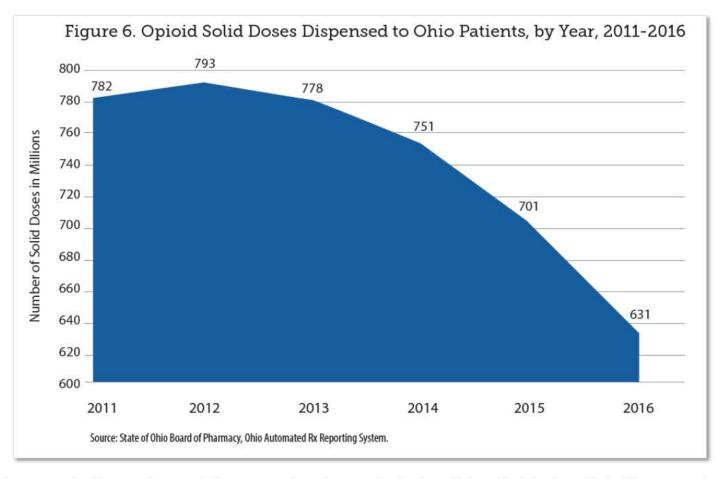


Ohio 2016 Data



Ohio 2016 Data

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Agenda



Scope of Problem

Industry Updates

Regulatory Responsibilities

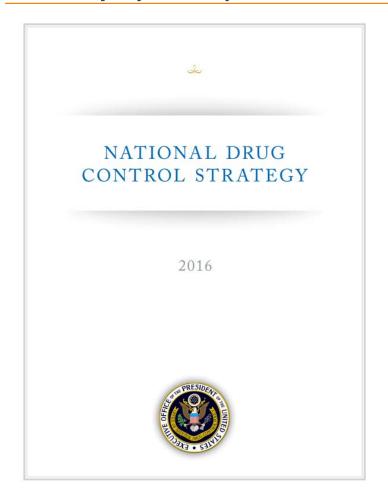
McKesson's CSMP

Discount Drug Mart Program Overview

Q & A | Open Discussion

Industry Updates | National Drug Control Strategy

MCKESSON



Policy Focus: Preventing and Addressing **Prescription Drug** Misuse and **Heroin** Use

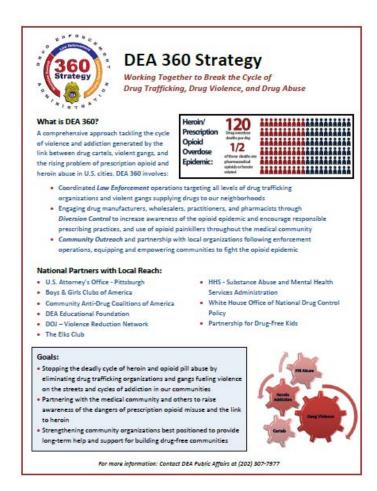
Four Pillars:

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- 3. Disposal
- 4. Enforcement

Source: Office of National Drug Control Policy. 2015 National Drug Control Strategy. Retrieved February 10, 2016, from Office of National Drug Control Policy: https://www.whitehouse.gov/sites/default/files/ondcp/policy-and-research/2015 national drug control strategy 0.pdf

Industry Updates | DEA 360 Strategy

MCKESSON



Strategy for **prescription opioid** and **heroin** abuse:

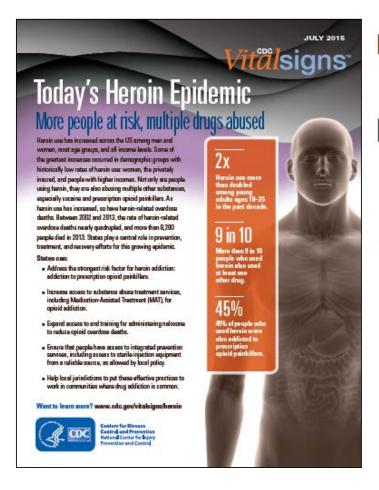
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Pilot in West Memphis, AR, St. Louis, MO, Pittsburgh, PA, Milwaukee, WI

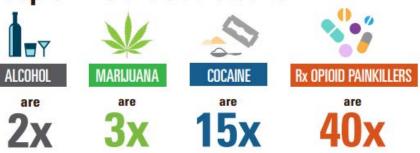
Source: Statement of Louis J. Milione, Deputy Assistant Administrator, Office of Diversion Control, DEA before the Committee on the Judiciary, United States Senate, for a Hearing entitled "Attacking America's Epidemic Of Heroin And Prescription Drug Abuse" presented January 27, 2016. http://www.dea.gov/divisions/hq/2015/hq111015-DEA%20360%20Strategy%20Fact%20Sheet.pdf, Accessed February 10, 2016.

Industry Updates | Today's Heroin Epidemic

MCKESSON



People who are addicted to...

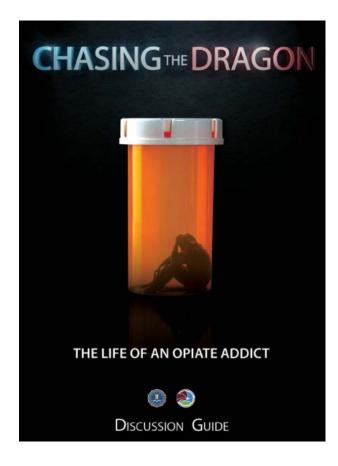


...more likely to be addicted to heroin.

SOURCE: National Survey on Drug Use and Health (NSDUH), 2011-2013.

Source: Centers for Disease Control and Prevention, Vital Signs July 2015. *Today's Heroin Epidemic*. Retrieved February 10, 2016, from Centers for Disease Control and Prevention: http://www.cdc.gov/vitalsigns/pdf/2015-07-vitalsigns.pdf

Industry Updates | Chasing the Dragon



Chasing the Dragon is a documentary film from DEA and FBI;

- ✓ Aimed at educating high school students & young adults of the dangers of addiction
- Message is deterrence since opioid addiction can take hold after first use

Source: FBI National Press Office. FBI, DEA Release Documentary Film Addressing Heroin/Prescription Drug Abuse. Retrieved February 10, 2016, from FBI: https://www.fbi gov/news/pressrel/pressreleases/fbi-dea-release-documentary-film-addressing-heroin-prescription-drug-abuse

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Agenda



Scope of Problem Industry Updates

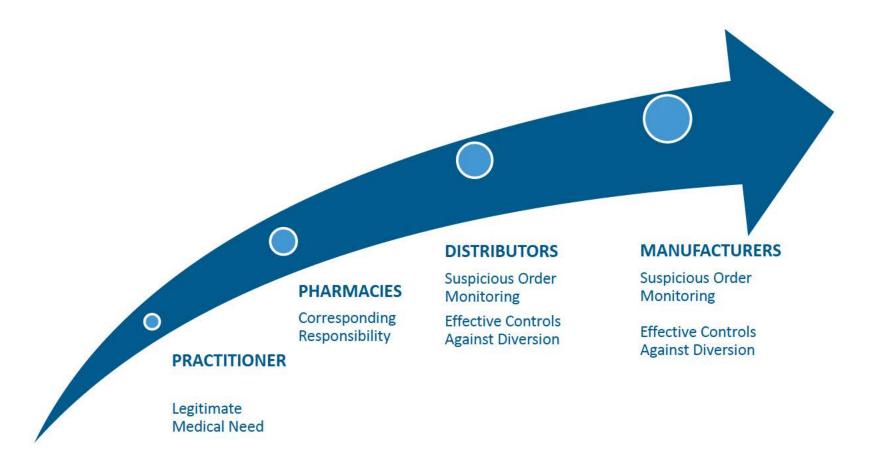
Regulatory Responsibilities

McKesson's CSMP Discount Drug Mart Program Overview Q & A | Open Discussion

Regulations | The Supply Chain

MCKESSON

Prescription drug abuse is a national problem, requiring an industry-wide solution.



CSA Checks & Balances | Practitioners

MCKESSON

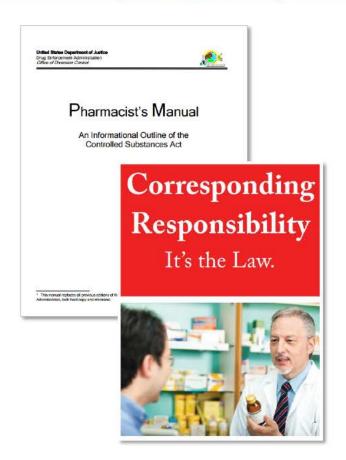
"A prescription for a controlled substance to be effective must be issued for a **legitimate medical purpose** by an individual practitioner acting in the usual course of professional practice." (21 CFR §1306.04(a))



CSA Checks & Balances | Pharmacists

MCKESSON

"The responsibility for the proper prescribing and dispensing of controlled substances is upon the prescribing practitioner, but a corresponding responsibility rests with the pharmacist who fills the prescription." (21 CFR § 1306.04(a))





CSA Checks & Balances | Distributors & Manufacturers

MCKESSON

"Maintenance of **effective controls against diversion** of particular controlled substances into other than legitimate medical, scientific, and industrial channels..." (21 U.S.C. §823/21 CFR §1301.71(a))



"The registrant shall **design** and **operate** a system to disclose to the registrant **suspicious orders** of controlled substances. . . . Suspicious orders include orders of unusual **size**, orders deviating substantially from a normal **pattern**, and orders of unusual **frequency**." (21 CFR §1301.74(b))

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Agenda

Scope of Problem Industry Updates Regulatory Responsibilities

McKesson's CSMP

Discount Drug Mart Program Overview
Q & A | Open Discussion

McKesson CSMP | Mission & Operating Principles

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U.S. Pharma Controlled Substance Monitoring Program

Mission Statement

Our mission is to manage U.S. Pharma's Controlled Substance Monitoring Program as a nationwide regulatory compliance program that is informed by diversion trends and our customers. Through our program, we strive to strengthen the understanding of the prescription drug abuse epidemic across the industry with dialogue and collaboration.



U.S. Pharma Controlled Substance Monitoring Program

Operating Principles

As we continue to design our program, we will adhere to the following operating principles:

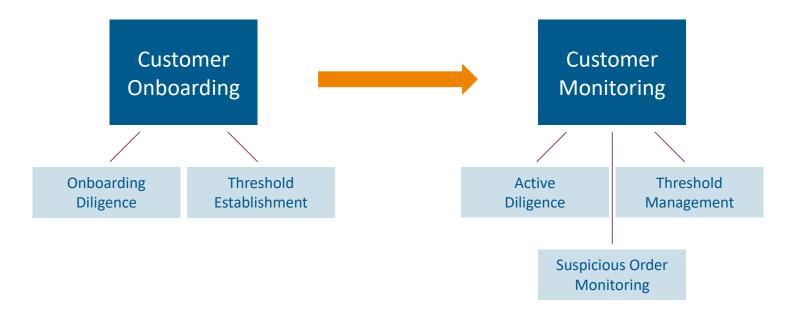
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- Uniform Generates consistent execution against nationwide standards and requirements.
- Sustainable Achievable over the long term.
- Contemporary Refreshed on an ongoing basis to address current diversion trends, while reflecting the legitimate business models of our customers as they evolve.
- Defined Meets regulations as they are applicable to wholesalers. Other registered entities in the supply chain have their own independent responsibility to achieve compliance.

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McKesson CSMP | Design/Framework

MCKESSON



Statistics, Analytics, and Diversion Trends

McKesson CSMP | RNA Team

MCKESSON



Nate Hartle Sr. Director Minneapolis, MN



Michael Oriente Director Philadelphia, PA



Adam Palmer Sr. Manager Indianapolis, IN



Micheal Bishop Manager Las Colinas, TX



Adam Shepherd Regulatory Assistant Las Colinas, TX

Sr. Director Leadership Background:

- ✓ Retail Diversion
- √ Special Investigations
- ✓ Data, Analytics & Intelligence
- ✓ Industry Leadership

Team Backgrounds / Skill Sets:

- √ Regulatory Affairs
- ✓ Retail Diversion Analytics & Investigations
- ✓ Internal Data & Systems
- ✓ Distribution Center Operations
- ✓ Retail National Account Experience
- ✓ Project Management
- ✓ Clinical Research Compliance

McKesson CSMP | Diligence - "Know Our Customer"

MCKESSON



McKesson CSMP | Onboarding & Monitoring

MCKESSON

Onboarding

Chain Diligence:

- ✓ Pharmacy Operations
- ✓ CS Compliance Program & Policies
- ✓ Business Model / Processes
- ✓ Dispensing Data Review

Registrant Diligence:

- ✓ Licensure & Registration
- ✓ Questionnaires (If Applicable)
- ✓ Dispensing Data (If Applicable)

Threshold Establishment

Monitoring

Ongoing Diligence:

- ✓ Event Triggered Reviews
- ✓ Data Analysis Outlier Identification
- ✓ HQ Follow Up / Site Visits

Threshold Management (TCRs):

Business Justification

- ✓ Dispensing Data
- Independent Retail Specific
 - Recent Questionnaire (12M)
 - Personnel Information

Suspicious Order Reporting

Statistics, Analytics & Diversion Trends

Case: 1:17-md-02804-DAP Doc #: 2841-2 Filed: 10/17/19 40 of 62. PageID #: 426790 P1.1437.37

McKesson CSMP | Education & Awareness

MCKESSON

Red Flags

There are numerous "red flags" indicating possible prescription drug misuse, abuse and diversion. Some common red flags suggested by the DEA and certain state boards of pharmacy include:

Prescription Drug A Landscape

Current Drug Abuse Trends



What Can You Do? Practical Tips

DEA registrants are always responsible for meeting the For pharmacists and pharmacy owners, this means encorresponding responsibility to determine that prescript medical purposes by practitioners acting in the usual cou-One way in which the pharmacist and pharmacy owner or practices is to better understand their controlled substan data to circumstantially determine if divenden may be or

- 1. Closely monitor the drugs of concern. All controlled: for abuse, with those in schedule II having a higher pote Some of the more commonly diverted controlled subhydrocodone, hydromorphone, oxymorphone, alprazol 2. Know your pharmacy's ordering patterns. What is
- onerolled substances to non-controlled substances? of each controlled substance? What is your typical doss Geographic Flags prescription? Maintaining awareness will help you rec

Pattern Prescribing

Pharmacists need to be particularly alert for prescriptions for the same drugs, quantities or diagnosis codes coming from the same doctor. Further, the use of rubber stamps is another key red flag.

Antagonistic Drugs

Look for prescriptions written for antagonistic drugs (e.g., depressants and stimulants).

Drug Cocktails

Flag and scrutinize prescriptions for drug cocktails (e.g., opioids with benzodiazepines and/or carisoprodol).

Large Quantities

Look at the quantities. High doses and/ or high quantities of drugs are often a key indicator of abuse.

Doctor Patterns

Be on the lookout for doctors that write significantly more prescriptions compared to other doctors in your area.

Beyond Specialty

Question prescriptions written by doctors for infirmaries not consistent with their area of specialty (e.g., dentist writing ADHD prescriptions).

Notice geographic anomalies, such as prescriptions written by a local prescriber for out-of-state patients, or situations in which the pharmacy is not near the patient or the prescriber.

Unlikely Coincidences

Situations such as customers with shared addresses presenting similar prescriptions from the same physician on the same day can also prove fraudulent.

False Caregivers

Further, you will want to scrutinize customers presenting prescriptions for other people.

Cash Payments

Customers paying cash may require additional scrutiny.

Early Refills

Customers requesting early refills of controlled substances should be questioned and may require additional scrutiny.

Suspicious Behavior

Look for signs of nervousness such as being overly talkative, agitated, emotionally volatile, evasive, etc.

Signs of Forgery

Fraudulent or forged prescriptions can often be identified by the following characteristics:

- False contact information
- Misspellings
- Photocopies
- Alterations to prescriptions
- Different inks or handwriting
- · Quantity, directions or dosages differ from usual medical usage
- No abbreviations used or non-standard abbreviations

's national Automotion enchmark in assessing rages of desage units o DEAY 2012 AROOS data ** ing doesn't look right, a practitioner and use your cord of pharmacy's wobsite at a representation as being a ance and ensure that you

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Agenda



Scope of Problem Industry Updates Regulatory Responsibilities McKesson's CSMP

Discount Drug Mart Program Overview

Q & A | Open Discussion

Controlled Substances | Discount Drug Mart CSMP

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Discussion Topics:

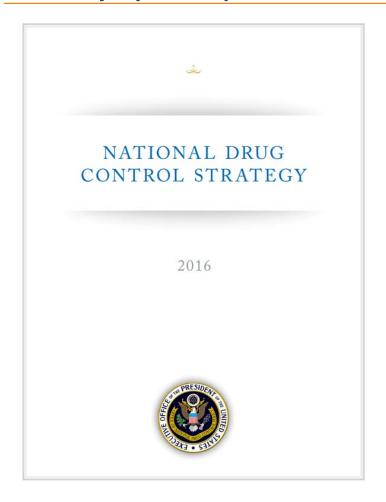
- Overview of Pharmacy Business
- Regulatory/Compliance Structure
- Policies & Procedures
- Training & Education
- Analytics, Monitoring & Follow Up
- Known Outliers

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Industry Updates | National Drug Control Strategy

MCKESSON



Policy Focus: Preventing and Addressing **Prescription Drug** Misuse and **Heroin** Use

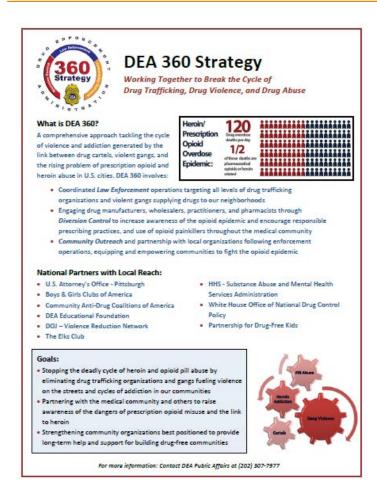
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- 1. Education
- 2. Monitoring
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Source: Office of National Drug Control Policy. 2015 National Drug Control Strategy. Retrieved February 10, 2016, from Office of National Drug Control Policy: https://www.whitehouse.gov/sites/default/files/ondcp/policy-and-research/2015 national drug control strategy 0.pdf

Industry Updates | DEA 360 Strategy

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Strategy for **prescription opioid** and **heroin** abuse:

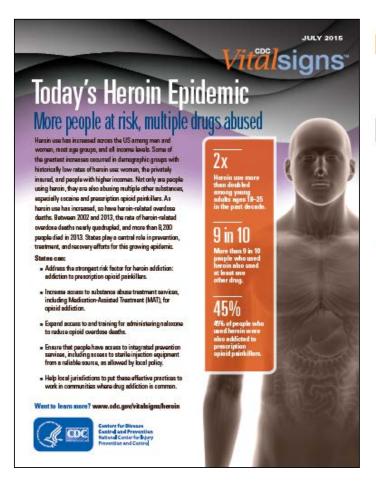
- ✓ Enforcement: A commitment to stopping violence associated with drug trafficking
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- ✓ Community: Leaving something lasting and positive in the communities DEA serves

Pilot in West Memphis, AR, St. Louis, MO, Pittsburgh, PA, Milwaukee, WI

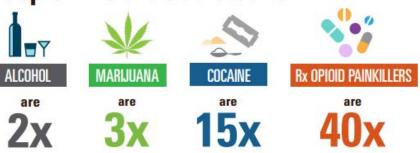
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Industry Updates | Today's Heroin Epidemic

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People who are addicted to...

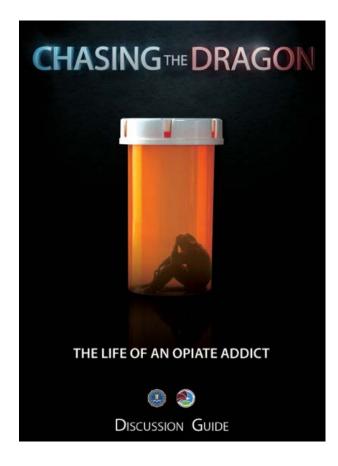


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McKesson CSMP | Mission & Operating Principles

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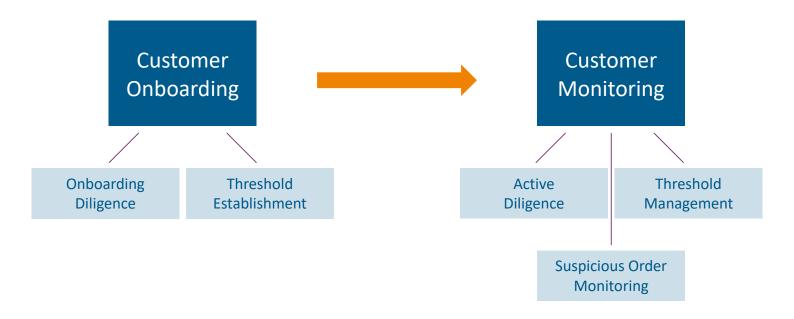
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McKesson CSMP | Design/Framework

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Statistics, Analytics, and Diversion Trends

Onboarding

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Suspicious Order Reporting

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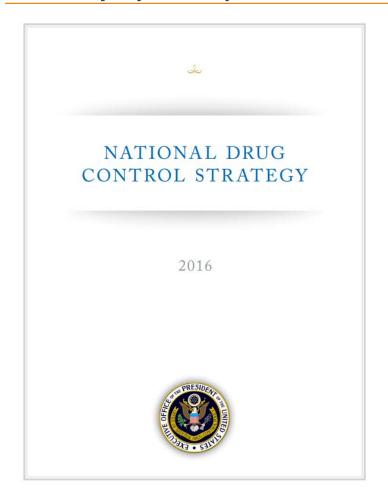
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Industry Updates | National Drug Control Strategy

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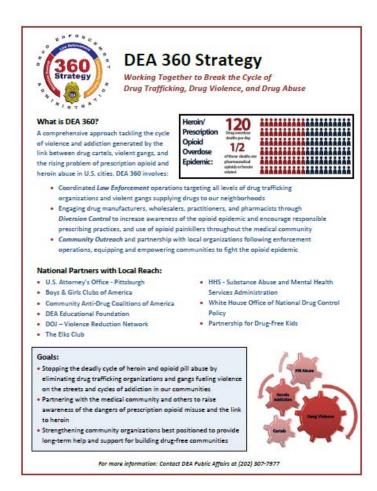
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Industry Updates | DEA 360 Strategy

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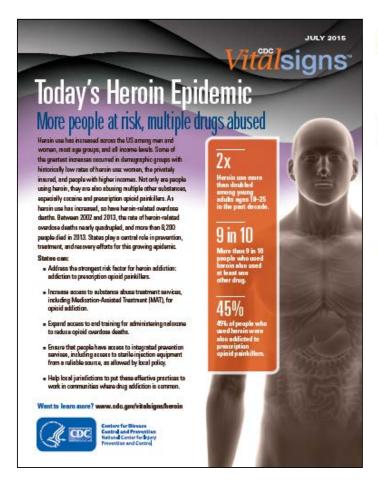
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- ✓ Community: Leaving something lasting and positive in the communities DEA serves

Pilot in West Memphis, AR, St. Louis, MO, Pittsburgh, PA, Milwaukee, WI

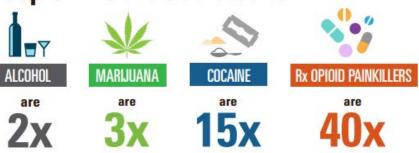
Source: Statement of Louis J. Millione, Deputy Assistant Administrator, Office of Diversion Control, DEA before the Committee on the Judiciary, United States Senate, for a Hearing entitled "Attacking America's Epidemic Of Heroin And Prescription Drug Abuse" presented January 27, 2016. http://www.dea.gov/divisions/hq/2015/hq111015-DEA%20360%20Strategy%20Fact%20Sheet.pdf, Accessed February 10, 2016.

Industry Updates | Today's Heroin Epidemic

MCKESSON



People who are addicted to...

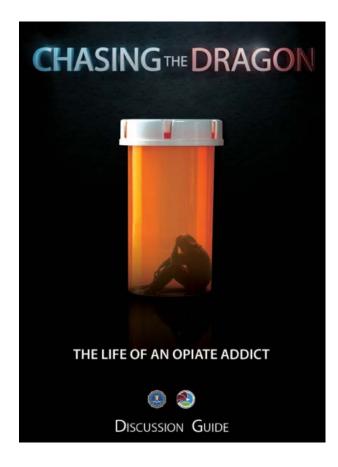


...more likely to be addicted to heroin.

SOURCE: National Survey on Drug Use and Health (NSDUH), 2011-2013.

Source: Centers for Disease Control and Prevention, Vital Signs July 2015. *Today's Heroin Epidemic*. Retrieved February 10, 2016, from Centers for Disease Control and Prevention: http://www.cdc.gov/vitalsigns/pdf/2015-07-vitalsigns.pdf

Industry Updates | Chasing the Dragon



Chasing the Dragon is a documentary film from DEA and FBI;

- ✓ Aimed at educating high school students & young adults of the dangers of addiction
- Message is deterrence since opioid addiction can take hold after first use

Source: FBI National Press Office. FBI, DEA Release Documentary Film Addressing Heroin/Prescription Drug Abuse. Retrieved February 10, 2016, from FBI: https://www.fbi gov/news/pressrel/pressreleases/fbi-dea-release-documentary-film-addressing-heroin-prescription-drug-abuse

McKesson CSMP | Mission & Operating Principles

MCKESSON

U.S. Pharma Controlled Substance Monitoring Program

Mission Statement

Our mission is to manage U.S. Pharma's Controlled Substance Monitoring Program as a nationwide regulatory compliance program that is informed by diversion trends and our customers. Through our program, we strive to strengthen the understanding of the prescription drug abuse epidemic across the industry with dialogue and collaboration.



U.S. Pharma Controlled Substance Monitoring Program

Operating Principles

As we continue to design our program, we will adhere to the following operating principles:

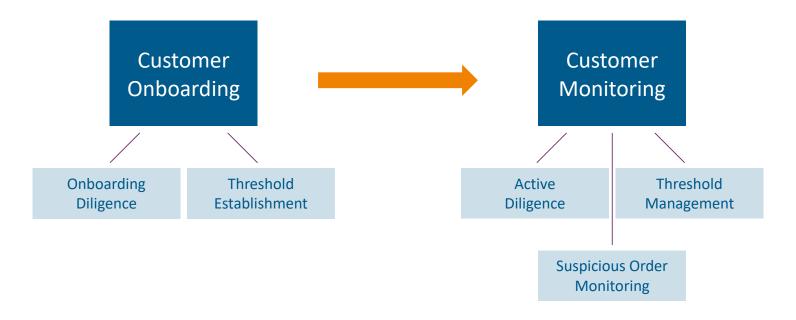
- Risk-based Comprehensively covers all controlled substances and all customers, while driving the greatest focus on those presenting a higher risk of diversion.
- Uniform Generates consistent execution against nationwide standards and requirements.
- Sustainable Achievable over the long term.
- Contemporary Refreshed on an ongoing basis to address current diversion trends, while reflecting the legitimate business models of our customers as they evolve.
- Defined Meets regulations as they are applicable to wholesalers. Other registered entities in the supply chain have their own independent responsibility to achieve compliance.

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McKesson CSMP | Design/Framework

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Statistics, Analytics, and Diversion Trends

Onboarding

Chain Diligence:

- ✓ Pharmacy Operations
- ✓ CS Compliance Program & Policies
- ✓ Business Model / Processes
- ✓ Dispensing Data Review

Registrant Diligence:

- ✓ Licensure & Registration
- ✓ Questionnaires (If Applicable)
- ✓ Dispensing Data (If Applicable)

Threshold Establishment

Monitoring

Ongoing Diligence:

- ✓ Event Triggered Reviews
- ✓ Data Analysis Outlier Identification
- ✓ HQ Follow Up / Site Visits

Threshold Management (TCRs):

Business Justification

- ✓ Dispensing Data
- Independent Retail Specific
 - Recent Questionnaire (12M)
 - Personnel Information

Suspicious Order Reporting

Statistics, Analytics & Diversion Trends

Discussion Topics:

- Overview of Pharmacy Business
- Regulatory/Compliance Structure
- Policies & Procedures
- Training & Education
- Analytics, Monitoring & Follow Up
- Known Outliers

